

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

CARROLLTON UTILITIES	)	
_____	)	
ALLEGED FAILURE TO COMPLY WITH	)	CASE NO. 2015-00178
49 CFR § 191.9(a)	)	

ORDER

The Commission initiated this matter on June 15, 2015, to require Carrollton Utilities (“Carrollton”) to respond to the allegation that it violated 49 CFR § 191.9 through failing to submit a report of a May 27, 2014 home explosion in Carrollton, Kentucky, within the 30-day time period required by 49 CFR § 191.9. In its June 15, 2015 Order, the Commission alleged that Carrollton did not submit the report until 60 days following the explosion.

Thereafter, Carrollton moved to dismiss the case, arguing that it did not violate 49 CFR § 191.9 for the reason that a reportable incident as defined in 49 CFR § 191.3<sup>1</sup> did not in fact occur, and consequently a report was not required to be filed. Carrollton further

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<sup>1</sup> 49 CFR § 191.3 defines an incident as any of the following events:

(1) An event that involves a release of gas from a pipeline, or of liquefied natural gas, liquefied petroleum gas, refrigerant gas, or gas from an LNG facility, and that results in one or more of the following consequences:

- (i) A death, or personal injury necessitating in-patient hospitalization;
- (ii) Estimated property damage of \$50,000 or more, including loss to the operator and others, or both, but excluding cost of gas lost;
- (iii) Unintentional estimated gas loss of three million cubic feet or more;

(2) An event that results in an emergency shutdown of an LNG facility. Activation of an emergency shutdown system for reasons other than an actual emergency does not constitute an incident.

(3) An event that is significant in the judgment of the operator, even though it did not meet the criteria of paragraphs (1) or (2) of this definition.

argues that as a report was not required to be filed, the untimely filing was irrelevant and not a violation.

Carrollton specifically asserts that the origin of the fire at issue in this incident originated in the home's basement. Because the explosion was purportedly not the result of a failure of Carrollton's pipelines, it argues that the explosion was outside of the scope of an incident as defined in the 49 CFR § 191.3.

An informal conference was held in this matter at the Commission's offices on September 10, 2015. In the course of the conference, the parties further discussed the origin of the explosion and the reporting requirements imposed by 49 CFR § 191.9.

The Commission finds that the existing record is insufficient to resolve all outstanding material questions of fact. The Commission further finds that to address the unresolved issues, an evidentiary hearing is required for the purpose of taking evidence regarding the alleged violation. Accordingly, Carrollton's motion to dismiss should be denied and a formal hearing should be scheduled.

IT IS THEREFORE ORDERED that:

1. Carrollton's motion to dismiss is denied.
2. Carrollton shall appear on January 20, 2016, at 9:00 a.m., Eastern Standard Time, in Hearing Room 1 of the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky, for the purpose of presenting evidence concerning the alleged violations of 49 CFR § 191.9(a), and showing cause why it should not be subject to the penalties prescribed in KRS 278.992(1) for the alleged violation.

3. Any requests for an informal conference with Commission Staff shall be set forth in writing and filed with the Commission within 20 days of the date of this Order.

By the Commission

ENTERED  
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KENTUCKY PUBLIC  
SERVICE COMMISSION

ATTEST:

  
\_\_\_\_\_  
Executive Director

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